



Office of Foreign Assets Control

31 CFR Part 587

Publication of Russian Harmful Foreign Activities Sanctions Regulations

Determinations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Publication of determinations.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing one sectoral determination issued pursuant to an April 15, 2021 Executive order, as well as a category of services determination issued pursuant to an April 6, 2022 Executive order. Each determination was previously issued on OFAC's website.

DATES: The Determination Pursuant to Section (1)(a)(i) of Executive Order 14024 was issued on September 15, 2022. The Determination Pursuant to Section 1(a)(ii) of Executive Order 14071 was issued on September 15, 2022 and takes effect on October 15, 2022.

FOR FURTHER INFORMATION CONTACT: OFAC: Assistant Director for Licensing, 202-622-2480; Assistant Director for Regulatory Affairs, 202-622-4855; or Assistant Director for Sanctions Compliance & Evaluation, 202-622-2490.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document and additional information concerning OFAC are available on OFAC's website: www.treas.gov/ofac.

Background

On April 15, 2021, the President, invoking the authority of, *inter alia*, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), issued

Executive Order (E.O.) 14024 (86 FR 20249, April 19, 2022). Among other prohibitions, section 1(a) of E.O. 14024 blocks, with certain exceptions, all property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any U.S. person or, any person determined by the Secretary of the Treasury, in consultation with the Secretary of State: (i) to operate or have operated in the technology sector or the defense and related materiel sector of the Russian Federation economy, or any other sector of the Russian Federation economy as may be determined by the Secretary of the Treasury, in consultation with the Secretary of State.

On April 6, 2022, the President, invoking the authority of, *inter alia*, IEEPA, issued E.O. 14071 of April 6, 2022, “Prohibiting New Investment in and Certain Services to the Russian Federation in Response to Continued Russian Federation Aggression” (87 FR 20999, April 8, 2022). Among other prohibitions, section 1(a)(ii) of E.O. 14071 prohibits the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of any category of services as may be determined by the Secretary of the Treasury, in consultation with the Secretary of State, to any person located in the Russian Federation.

On September 15, 2022, pursuant to delegated authority, the Director of OFAC, in consultation with the Department of State, issued a sectoral determination pursuant to E.O. 14024. This determination took effect upon publication on OFAC’s website, which occurred on September 15, 2022. Also on September 15, 2022, pursuant to delegated authority, the Director of OFAC, in consultation with the Department of State, issued a category of services determination pursuant to E.O. 14071. This determination takes effect at 12:01 a.m. eastern daylight time on October 15, 2022.

The texts of the September 15, 2022 sectoral determination pursuant to E.O. 14024, and the September 15, 2022 category of services determination pursuant to E.O. 14071, are below.

OFFICE OF FOREIGN ASSETS CONTROL

Determination Pursuant to Section 1(a)(i) of Executive Order 14024

Section 1(a) of Executive Order (E.O.) 14024 of April 15, 2021 (“Blocking Property With Respect To Specified Harmful Foreign Activities of the Government of the Russian Federation”) imposes economic sanctions on any person determined by the Secretary of the Treasury, in consultation with the Secretary of State, or the Secretary of State, in consultation with the Secretary of the Treasury, to operate or have operated in such sectors of the Russian Federation economy as may be determined, pursuant to section 1(a)(i) of E.O. 14024, by the Secretary of the Treasury, in consultation with the Secretary of State.

To further address the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States described in E.O. 14024, and in consultation with the Department of State and pursuant to 31 CFR § 587.802, I hereby determine that section 1(a)(i) shall apply to the quantum computing sector of the Russian Federation economy. Any person that the Secretary of the Treasury or the Secretary of the Treasury’s designee, in consultation with the Secretary of State or the Secretary of State’s designee, or the Secretary of State or the Secretary of State’s designee, in consultation with the Secretary of the Treasury or the Secretary of the Treasury’s designee, subsequently determines operates or has operated in this sector shall be subject to sanctions pursuant to section 1(a)(i).

This determination shall take effect upon publication by the Office of Foreign Assets Control on the Department of the Treasury’s website.

Andrea M. Gacki
Director
Office of Foreign Assets Control

OFFICE OF FOREIGN ASSETS CONTROL

Determination Pursuant to Section 1(a)(ii) of Executive Order 14071

Prohibitions Related to Certain Quantum Computing Services

Pursuant to sections 1(a)(ii), 1(b), and 5 of Executive Order (E.O.) 14071 of April 6, 2022 (“Prohibiting New Investment in and Certain Services to the Russian Federation in Response to Continued Russian Federation Aggression”) and 31 CFR § 587.802, the Director of the Office of Foreign Assets Control, in consultation with the Department of State, hereby determines that the prohibitions in section 1(a)(ii) of E.O. 14071 shall apply to quantum computing services. As a result, the following activities are prohibited, except to the extent provided by law, or unless licensed or otherwise authorized by the Office of Foreign Assets Control:

the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of quantum computing services to any person located in the Russian Federation.

This determination excludes the following:

- (1) any service to an entity located in the Russian Federation that is owned or controlled, directly or indirectly, by a United States person;
- (2) any service in connection with the wind down or divestiture of an entity located in the Russian Federation that is not owned or controlled, directly or indirectly, by a Russian person.

This determination shall take effect beginning at 12:01 a.m. eastern daylight time on October 15, 2022.

Andrea M. Gacki
Director
Office of Foreign Assets Control

September 15, 2022.

Andrea M. Gacki,
Director, Office of Foreign Assets Control.

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